GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:435
ANSWERED ON:25.04.2000
SUBSIDY ON FERTILIZERS
BASUDEB ACHARIA

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Union Government propose to make subsidy saving on the fertilizers in the coming fiscal years; and

(b) if so, the details thereof?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS

(SHRI SURESH P.PRABHU)

(a) & (b) : A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) and (b) of Lok Sabha Starred Question No. 435 to be answered on 25-4-2000.

(a) and (b) : Since urea is the only fertilizer at present which is under price, distribution and movement control, subsidy under Retention Price-cum-Subsidy Scheme coversonly urea. Apart from subsidy on urea, Union Government also gives concession ondecontrolled phosphatic and potassic fertilizers under a Scheme of Concession on Sale of Decontrolled fertilizers.

Budget Estimates for 2000-2001 for subsidy on urea and concession on decontrolled fertilizers, when compared to actual expenditure for the last financial year, show a saving of Rs.593.07 crores. Details ofactual expenditure for last financial year and budget estimates for 2000-2001 for subsidy on urea and concession on decontrolled fertilizers are as follows:

(Rs. in crores)

Name of fertilizer	Actual expenditure on subsidy/ concession during 1999-2000	Budget estimates for subsidy / concession for 2000-2001	Savings
Urea	8744.07	8558.00	186.07
Decontrolled phosphatic and potassic fertilizers	4500.00	4093.00	407.00
TOTAL	13244.07	12651.00	593.07

The Government policy is to phase out subsidy/concession in a phased manner after taking into account its fiscal capacity on the one hand and the need to make fertilizer available to the farmer at a reasonable price on the other.